

EXECUTIVE SUMMARY

Date Summary Prepared: March 17, 2015

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| Mine Name: Vernal Phosphate | I.D. Number: M/047/0007 |
| Operator: Simplot Phosphates LLC | Date Revision Received: October 21, 2014 |
| Address: 9401 North Highway 191 Vernal, Utah 84078-7802 | County: Uintah |
| | New/Existing: Existing mine expanding to the east side of US Highway 191 |
| | Mineral Ownership: Fee. |
| Contact Person: John Spencer | Surface Ownership: Fee and BLM (23.8 acres in tailings area) |
| Telephone: 435-789-7795 | Lease No.(s): BLM Surface Management UTU-76097 |

Life of Mine: The proposed expansion would extend the life of the mine through 2024.

Legal Description: The expansion will affect portions of the following areas: Sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 27, 28, 29, 32 of Township 2 South, Range 22 East, SLBM, Uintah County, Utah.

Mineral(s) to be Mined: Phosphate from collophane.

Acres to be Disturbed: Existing disturbance through 2014 is about 1438 acres. About 120 acres is permitted and has yet to be mined. The operator proposes to disturb about 565 acres on the east side of US Highway 191.

Present Land Use: Grazing and wildlife habitat.

Postmining Land Use: Grazing and wildlife habitat.

Variances from Reclamation Standards (Rule R647) Granted: No variances requested or granted.

Soils and Geology

Soil Description: Generally, the soils in the expansion area are moderately deep and well drained gravelly loams, shallow and well drained complex gravelly loams, and rock outcrops. These soils formed largely from residuum and colluvium from sedimentary rock.

pH: 6.6- 8.5

Special Handling Problems: Erosional hazard is moderate, but with the current plan for protecting and re-depositing soils the operator has a proven record of success. No future problems are anticipated.

Geology Description: The bedrock formations exposed in the project vicinity range from the Pennsylvanian Weber Sandstone to the Triassic Moenkopi Formation. The Weber Sandstone ranges in thickness from 1075 to 1275 feet and is comprised of medium-grained, cross-bedded sandstone and massively bedded, fine-grained quartzose sandstone. The Permian Park City Formation overlies the Weber Sandstone and ranges in thickness from 140 to 150 feet in the vicinity. The ore zone lays within

the Park City formation ranges from 17 to 19 feet thick in the mine area and the ore zone is a tongue of the phosphoria formation. Overlying the Park City formation is the lower Triassic Dinwoody formation consisting thinly bedded shales, siltstones and sandstones with minor amounts of limestone. Above the Dinwoody formation is the Triassic Moenkopi comprised of red thinly bedded shales, siltstones and sandstones with minor amounts of limestone. Above the Moenkopi is the Chinle Formation which is comprised of red, variegated shale in the lower two-thirds and sandstone with thin red shale interbeds in the upper third. The mine site is located on the south flank of the Uinta Mountain Arch, with the beds generally striking northeast-southwest and dip 5 to 23 degrees to the southeast with an average dip of 8 to 10 degrees.

Hydrology

Ground Water Description: Groundwater occurs primarily in the Morgan Formation, Weber Sandstone, and the alluvial aquifer associated with Big Brush Creek. The Weber Sandstone serves as a groundwater aquifer for the region, and aquifer test data suggest that it has a high transmissivity. The Weber Sandstone also is under artesian pressure in the site vicinity. The groundwater gradient is to the south-southeast. Water from the Weber Sandstone is used by the mining operation for processing. Discontinuous zones of low quality groundwater are present in the Moenkopi formation at relatively shallow depths. Shallow alluvial groundwater is also present. Mining excavation is not expected to encounter groundwater. The operator has an existing Groundwater Discharge Permit with the Utah Division of Water Quality. Through continued use of best management practices for stormwater and proper management of hazardous materials, potential impacts to groundwater associated with the proposed new disturbances newly-proposed mine activities are minimized.

Surface Water Description: The perennial Big Brush Creek runs between the currently-approved West Side mining areas and the processing facilities and tailings storage facility, and feeds Red Fleet Reservoir. Mining in the vicinity of major drainages includes a minimum of a 100-foot buffer zone from rock outcrops along each ridge. The Little Brush Creek and Basset Creek run through the northern and eastern parts of the East Side property, but the creeks (and a spring that feeds Little Brush Creek) are located about two miles or more to the north-northwest of the newly-proposed mining operations. Ephemeral drainages cross the newly-proposed mining areas. Possible surface water impacts from newly-proposed mining will be minimized through continued use of best management practices for stormwater and proper management of hazardous materials.

Water Monitoring Plan: Existing monitoring plans are discussed in the Groundwater Discharge Permit and the storm water pollution prevention plan.

Ecology

Vegetation Type(s); Dominant Species: The primary vegetation community to be affected is pinyon/juniper. There are also some areas of sagebrush shrubland, antelope bitterbrush, and riparian habitat.

Percent Surrounding Vegetative Cover: Understory cover in the pinyon/juniper community is about six percent. Cover values were estimated to be 62 and 52 percent for the sagebrush and antelope bitterbrush communities, respectively.

Wildlife Concerns: There is greater sage-grouse habitat near the areas proposed to be disturbed, but this phase of the operations will not disturb this habitat. The operator has been, and will continue to participate in Sage Grouse Habitat improvement projects within the vicinity of the mine. The area provides critical big game winter range which is restored, normally with higher forage values, during reclamation. Wildlife passage corridors are established where practical.

Surface Facilities:

The surface facilities consist of buildings for support of the mining operations and the processing facilities. Major surface facilities include the mine shop, fuel storage, the SAG mill, flotation tanks, pipeline and other support structures. A full list of the structures is in the Notice of Intention.

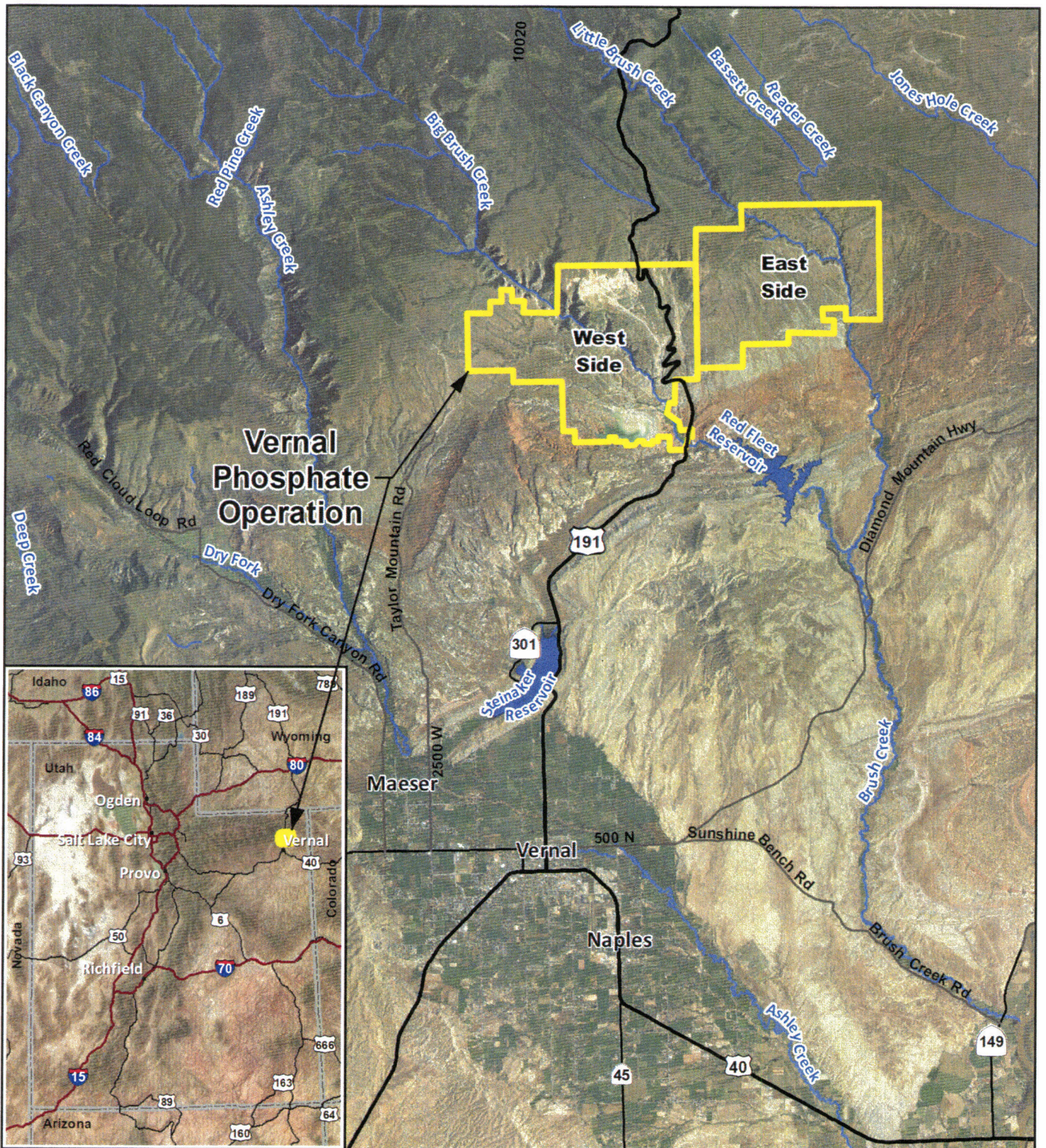
Mining and Reclamation Plan Summary:

Mining activities have been conducted at the site since the 1950's. Mining activities are focused on areas where the overburden is relatively shallow on top of the ore (generally less than 150 feet thickness). Topsoil is stripped, removed and stockpiled. Overburden is blasted and pushed into the previously mined areas. Ore is removed and transported to portable crushers. At the concentrator facility mill the ore slurry is ground further in the ball mill. Ore is then sent to mixer tanks with flotation reagents, where the phosphate grains are separated from barren sands. The phosphate grains are further treated and then sent via 95 mile long slurry pipeline to Rock Springs, Wyoming. Reject material is sent to tailing ponds.

Due to mining practices reclamation is concurrent. Access roads are reclaimed by grading cuts and fills, surface roughening and seeding. Mined out area are reclaimed by having the overburden from the active site placed in the mining out area. Due to material swell most areas can be restored to the approximate original contours. Drainage patterns are reestablished. Some highwalls are left to help the reclaimed sites into the undisturbed areas. An average of about 7.5 inches of soil will be replaced, topsoiled areas are ripped (chisel plowed), and these areas are drill and broadcast seeded depending on the species. Past revegetation efforts have resulted in large areas dominated by grasses, but the operator is attempting to increase diversity, especially of forbs and shrubs.

Surety

The reclamation cost estimate has yet to be finalized, but this estimate will be included in the Notice of Intention, and the amount will need to be posted as reclamation surety, prior to final approval.



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Simplot Phosphates, LLC Vernal, UT

Figure 1
Vicinity Map

Imagery: 2011 NAIP 1 meter resolution
Source: NRCS/USDA Digital Gateway
Other Data Sources: AGRC, USGS
Inset Imagery: ESRI World Map Service
Sources: Esri, DigitalGlobe, GeoEye, i-cubed,
USDA, USGS, AEX, Getmapping, Aerogrid,
IGN, IGP, and the GIS User Community

Map Production
Date
7/22/2014